

THE CITY OF SAN DIEGO

FOR IMMEDIATE RELEASE December 5, 2005

Sanders Ushers in New Era at San Diego City Hall

New Mayor Announces Immediate Changes in City Financial Processes & Communicates with City Workforce

San Diego – Jerry Sanders was sworn in today as San Diego's mayor. Sanders immediately got to work by making some key announcements that are part of his 90 Day Timeline for Change. A virtual to-do list of tasks that need to be launched, the Timeline for Change includes items that are important to stabilize the City's finances. "The various problems the City faces weren't created overnight and as such they won't be corrected overnight," said Sanders." The Mayor was clear in that the next few months will be unsettling ones for all.

The Mayor made the following announcements:

• Effective immediately, City Manager Ronne Froman has instituted new increased internal controls that will now require her approval on certain items. Included in these are processes involving contracting, hiring, travel, training and cash awards. Additionally, managers have been instructed to minimize their discretionary spending and receive approval on spending actions above \$25,000.

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- Froman, who will become the City's Chief Operating Officer effective January 1, has
 launched a review of the City's contracting function for all City departments. Because of its
 potential for waste, fraud and abuse, the Mayor has made this a top priority of his
 administration.
- An email will go out to all City employees this afternoon advising them that because of the City's financial condition staffing reductions may be required to address our current financial situation, with the exception of public safety personnel. The Mayor promised that he would report to City employees and the public at large on the dimensions of the City's financial problems as quickly as he is able to assess them.
- "America's Finest City" will return at the top of the City's website, which was removed in August. Sanders said the slogan refers to our citizens and that it was wrong to imply that our taxpayers are somehow to blame for our various municipal problems. His goal will be to rebuild city government so that it lives up to this distinction.

The Mayor will immediately get to work reshaping City government in anticipation of the changeover to the Strong Mayor form of government which takes effect January 1, 2006. The Mayor has already unveiled a draft organizational structure for the City and additional personnel announcements will soon be made.